### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: August 2, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 2685 (Mr. Richard G. Lugar of Indiana).

**Proponent name, location:** SCHOTT North America, Inc., Vincennes, Indiana.

Other bills on product (109th Congress only): S. 2808.

**Nature of bill:** Renewal of temporary duty provision through December 31, 2009.<sup>3</sup>

**Retroactive effect:** None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Rolled glass in sheets, yellow-green in color, not finished or edged-worked, textured on one surface, suitable for incorporation in cooking stoves, ranges, or ovens described in subheading 8516.60.40 (provided for in subheading 7003.12.00 or 7003.19.00).

Check one:	$\underline{X}$ Same as that in bill as introduced. <sup>4</sup>
	Different from that in bill as introduced (see Technical comments section)

#### Product information, including uses/applications and source(s) of imports:

The bill would cover rolled rectangular sheets of glass that are yellow-green in color, not finished or edge-worked, and textured on one surface. The glass composition is specifically formulated to yield a glass-ceramic material upon further heat treatment. These sheets are cut to shape and subjected to further manufacturing operations including heat treatment to produce a glass-ceramic material for cooktop applications. The glass-ceramic cooktop conceals the heating elements when not in use and facilitates cleaning of the cooktop. Glass-ceramic cooktops are used primarily in smooth-top electric ranges, but they are also used in gas appliances. The principal sources of imports provided for in subheading 7003.19.00 are France and Germany. The principal source of imports provided for in subheading 7003.12.00 is Japan.

<sup>1</sup> Industry analyst preparing report: Gail Burns (202-205-2501); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm.

<sup>&</sup>lt;sup>3</sup> Heading 9902.70.03, as originally enacted, expired on December 31, 2003.

<sup>&</sup>lt;sup>4</sup> The proposed provision's article description is identical to that of the provision the bill would delete. It would be possible to reinstate this duty suspension simply by deleting the present expiration date "On or before 12/31/03" from the heading and inserting the new one.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>7003.12.00 OR 7003.19.00</u>						
$\searrow$	2006	2007	2008	2009	2010	
Col. 1-General rate of duty	1.3% or 1.4%					
Estimated value <i>dutiable</i> imports	\$113,500,000	\$113,500,000	\$113,500,000	\$113,500,000	\$113,500,000	
Customs revenue loss	\$1,475,500	\$1,475,500	\$1,475,500	\$1,475,500	\$1,475,500	

Source of estimated dutiable import data: Official U.S. Government statistics and industry estimates.

#### **Contacts with domestic firms/organizations (including the proponent):**

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)	Submission attached?	Opposition noted?
			(Yes/No)	
SCHOTT North America, Inc. (Proponent) Tim Kiger, 816-882-2680	06/22/2006	No	Yes	No
EuroKera North America, Inc./Corning, Inc. Debra L. Waggoner, 202-682-3142	06/22/2006	No	Yes	No
Sealed Insulating Glass Manufacturers Association (SIGMA), 312-644-6610	07/05/2006	No	No	No

#### **Technical comments:**<sup>5</sup>

Because this tariff heading is still in the HTS (though its duty treatment has expired), it is suggested that the bill could be redrafted merely to delete the present expiration date and replace it with the new one.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

## S. 2685

To suspend temporarily the duty on certain textured rolled glass sheets.

#### IN THE SENATE OF THE UNITED STATES

May 1, 2006

Mr. Lugar introduced the following bill; which was read twice and referred to the Committee on Finance

### A BILL

To suspend temporarily the duty on certain textured rolled glass sheets.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CERTAIN TEXTURED ROLLED GLASS SHEETS.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by striking heading 9902.70.03 and inserting in
- 7 numerical sequence the following:

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"	9902.70.03	Rolled glass in sheets, yel-					
		low-green in color, not fin-					
		ished or edged-worked, tex-					
		tured on one surface, suit-					
		able for incorporation in					
		cooking stoves, ranges, or					
		ovens described in sub-					
		heading 8516.60.40 (pro-					
		vided for in subheading					
		7003.12.00 or 7003.19.00)	Free	No change	No change	On or before	
						12/31/2009	".

- 1 (b) Effective Date.—The amendment made by
- 2 this section applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after
- 4 the date of the enactment of this Act.

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